



**Office of the Attorney General  
Paul G. Summers**

**NEWS RELEASE**

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**STATES REACH \$160 MILLION SETTLEMENT WITH TOBACCO COMPANIES**

Tennessee Attorney General Paul G. Summers announced today that the state will receive about \$1.6 million from tobacco companies in a settlement of pending disputes over payments. In addition, approximately \$306,000 will be disbursed to Tennessee tobacco quota owners and growers through the National Tobacco Grower Settlement Trust.

The payment to the state comes as part of a settlement reached today between the 52 states and jurisdictions and most of the nation's tobacco manufacturers. Most of the \$160 million settlement will come from Brown & Williamson, the nation's third largest tobacco manufacturer. The agreement resolves that firm's failure to make payments to the states for the cigarettes it manufactured for Star Tobacco, Inc., a company that did not join the settlement.

"Today's agreement shows the states' ongoing commitment to contest and resolve issues relating to Master Settlement Agreement payments," Attorney General Summers said. "And given our economic climate, we can certainly use this money."

As part of the settlement, the major tobacco manufacturers agreed they will take responsibility for cigarettes they manufacture for other companies. The settlement also resolves other complex payment disputes. Attorney General Summers pointed out that the settlement resolved what could have amounted to years of costly litigation.

"This settlement is further evidence that the states continue to work effectively and cooperatively to implement and enforce the Master Settlement Agreement," Attorney General Summers said.